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EO 11652: GDS
TAGS: PINS, SREF, ECON, SOCI, VM
SUBJECT: "SOCIALIST TRANSFORMATION" IN SOUTH VIETNAM

SUMMARY: INTERVIEWS OF REFUGEES WHO ARRIVED IN LAST WEEK
OF JULY IN LAEM SING AND SONGKHLA REFUGEE CAMPS FROM
SAIGON AND THE MEKONG DELTA REGIONS OF VIETNAM REVEAL A
COMPREHENSIVE PATTERN OF ACCELERATED EFFORTS RECENTLY
BY HANOI RADICALLY TO TRANSFORM THE SOUTHERN ECONOMY
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AND SOCIETY. THESE EFFORTS ARE EMBODIED IN THE MARCH 23
AND SUBSEQUENT ECONOMIC DECREES. REFUGEES SEE THESE
POLICIES AS STEMMING FROM INABILITY BY HANOI TO EXERT
CONTROL IN SOUTH VIETNAM THREE YEARS AFTER CONQUEST AND
FROM THE UNACCEPTABILITY TO HANOI OF THE CAPITALIST
SYSTEM WHICH CONTINUED TO FUNCTION IN THE SOUTH. THE
CENTERPIECES OF HANOI'S EFFORTS TO GAIN CONTROL ARE THE

NEW ECONOMIC ZONES WHICH ARE DREADED BY THE POPULATION AS FORCED AND POTENTIALLY FATAL LABOR CAMPS. RESISTANCE TO THE ZONES HAS BEEN MASSIVE. AT THE SAME TIME, HANOI IS MOVING ON OTHER FRONTS AS WELL. FACTORIES HAVE BEEN NATIONALIZED, THE FISHERY INDUSTRY IS BEING NATIONALIZED, AND THE FORMERLY RICH MEKING DELTA SEEMS SLATED FOR EARLY COLLECTIVIZATION. MILITARY MOBILIZATION PROCEEDS APACE. IN THIS MILIEU, THE ECONOMY IS DISRUPTED AND DEPRIVATION SEEMS WIDESPREAD, ESPECIALLY FOR THE FORMER MIDDLE AND RICHER CLASSES. THE RESULT HAS BEEN INCREASED IMPULSE TO SEEK REFUGE ABROAD, IN THE WEST OR IN THE PRC. THE IMPULSE TO RESIST ALSO SEEMS TO HAVE INCREASED. THE CENTRAL ISSUE SEEMS TO BE WHETHER HANOI CAN TRANSFORM THE SOUTH QUICKLY WHILE EXERCISING TIGHT CONTROL. WE DOUBT THAT HANOI CAN MANAGE THE TRANSFORMATION SMOOTHLY AND ANTICIPATE CONTINUATION OF A CERTAIN AMOUNT OF CHAOS FOR SOME TIME TO COME. END SUMMARY.

1. SRV SPRING ECONOMIC DECREES: MOTIVATION, SCOPE, AND EFFECT.

REFLECTING FAIRLY UNIFORM PERCEPTIONS OF RECENT REFUGEES CONCERNING THE MOTIVATION FOR THE SPRING ECONOMIC DECREES IN THE SRV, THE LAEM SING VIETNAMESE CAMP COMMANDER TOLD US JULY 28 THAT TWO BASIC FACTORS LED TO THE DECREES: (A) THE GSRV HAS BEEN UNABLE TO CONDUCT

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ADEQUATE SURVEILLANCE AND CONTROL OF THE POPULATION IN SOUTH VIETNAM; AND (B) THE GSRV CANNOT TOLERATE THE CONTINUATION OF A SYSTEM OF PRIVATE ENTERPRISE IN VIETNAM. STATE CONTROL OF THE ECONOMIC SYSTEM IS ESSENTIAL TO "SOCIALIST TRANSFORMATION." ANOTHER PERCEPTIVE REFUGEE ADDED THAT THE CURRENT SRV ECONOMIC POLICIES ARE THE LOGICAL EXTENSION OF EARLIER POLICIES. AT FIRST, THE POOR PEOPLE WERE SENT TO NEW ECONOMIC ZONES (NEZ'S) BECAUSE THERE WAS NO FOOD FOR THEM TO EAT IN THE CITIES. WITH THAT "ACCOMPLISHED," THIS SPRING THE GSRV BEGAN TO MOVE DECISIVELY AGAINST THE RICH AND BOURGEOIS CLASSES IN VIETNAM. IN GENERAL, MOST VIETNAMESE HAVE ASSUMED THAT THESE STEPS WERE INEVITABLE. QUESTION WAS ONLY THE TIMING OF THEIR IMPLEMENTATION.

2. THE SCOPE OF THE MOVES THIS SPRING AND SUMMER HAS BEEN VERY BROAD. HANOI HAS ATTEMPTED TO REDUCE SHARPLY THE POPULATION OF THE CITIES OF SOUTH VIETNAM. THE RICH AND POOR UNEMPLOYED, FORMER SOLDIERS AND GOVERNMENT OFFICIALS, EVEN SKILLED AND UNSKILLED LABORERS ARE BEING COERCED INTO LEAVING THE LARGE AND SMALL CITIES FOR THE NEZ'S. BEHIND, A SKELETAL POPULATION IS LEFT OF

GOVERNMENT CADRES, PAVN TROOPS, FACTORY WORKERS, SKILLED WORKERS, AND THE PERSONNEL WHO PROVIDE ESSENTIAL SERVICES TO THIS POPULATION. TO SPUR THE EXODUS, THOSE SLATED FOR EVACUATION ARE DEPRIVED OF RATION AND IDENTIFICATION CARDS AND MEANS TO GAIN A LIVELIHOOD. HERETOFORE, THE RELATIVELY WEALTHIER CLASSES COULD SELL THEIR CLOTHES, GOODS, AND HOUSEHOLD ITEMS OR CASH IN THEIR GOLD AND BANK ACCOUNTS TO SURVIVE IN THE CITIES. THE SPRING DECREES, INCLUDING THE SEIZURE OF STOCKS AND CURRENCY, WERE DESIGNED SPECIFICALLY TO DEPRIVE THESE CLASSES OF THIS ALTERNATIVE MEANS OF SURVIVAL. THE FIFTY DONG EACH PERSON RECEIVED DURING THE CURRENCY UNIFICATION IS WOEFULLY INADEQUATE, AND THE "CERTIFICATES"

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RECEIVED FOR CONFISCATED GOODS AND WEALTH ARE MEANINGLESS,
AS THE PROPERTY IS IRRETRIEVABLE. THE NEZ'S WERE LEFT

PURPOSEFULLY AS A SOLE ALTERNATIVE. IN THE NEZ'S, YOU CAN WITHDRAW SMALL AMOUNTS FROM YOUR "DEPOSITS" FOR PRODUCTION PURPOSES, OR IF YOU ARE "LEGITIMATELY" IN THE CITY, SMALL AMOUNTS CAN BE WITHDRAWN FOR SUCH THINGS AS BURIALS, PROVIDED OF COURSE THAT THE BURIAL IS NOT OSTENTATIOUS.

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3. TO MOST, THE NEZ'S ARE SYNONYMOUS WITH STARVATION, EXTREMELY DIFFICULT LABOR, AND POTENTIAL DEATH. "THEY ARE LIKE PRISONS WITH MOATS AND BAMBOO SPIKES, GUARDED BY ARMED CADRES," ONE REFUGEE SAID. REFUGEES DESCRIBE THE NEZ'S AS HORRORS IN THE JUNGLES, WHERE EACH FAMILY IS EXPECTED TO BUILD ITS HOUSE (SOMETIMES ASSISTED BY PIONEER YOUTH), CLEAR LAND FOR PLANTING, DIG WELLS FOR WATER, AND SURVIVE WITHOUT MEDICINE. A FEW TOOLS ARE SOMETIMES PROVIDED. ALTHOUGH THE GOVERNMENT HAS PROMISED A SIX MONTHS' SUPPLY OF RICE, THE REFUGEES SAY THAT YOU ONLY RECEIVE TWO OR THREE WEEKS' SUPPLY. ONE REFUGEE SAID IT WAS LUDICROUS TO THINK THAT YOU COULD CLEAR LAND, BUILD A HOME AND HARVEST A CROP ALL IN SIX MONTHS. THE RESULT IS UNIVERSAL FEAR OF THE NEZ'S AS ALMOST UNSURVIVABLE. NEVERTHELESS, THE GSRV IS PUSHING THE NEZ'S AS THE VEHICLE FOR RESTRUCTURING THE SOUTHERN SOCIETY AND ECONOMY. THE REASON BEHIND THIS APPROACH, AS ONE REFUGEE SAID, IS THAT "UNPRODUCTIVE, BUSINESS-TYPE LABOR IN THE CITY IS INCOMPATIBLE WITH COMMUNIST PHILOSOPHY. THE PEOPLE MUST WORK AND PRODUCE; THEREFORE THE PEOPLE ARE SENT TO THE NEZ'S TO WORK THE EARTH." "THE COMMUNIST GOVERNMENT BELIEVES THAT PEOPLE WHO LIVE IN THE CITY ARE NOT WORKERS AND ARE THEREFORE CORRUPT," SAID ANOTHER REFUGEE.

4. THE REACTION HAS BEEN ALMOST INVARIABLY NEGATIVE. MANY PEOPLE HAVE BEEN ARRESTED AND TRANSPORTED TO THE NEZ'S FOUR OR FIVE TIMES. GOVERNMENT CADRES WORK CONTINUOUSLY TO PUSH THE "UNPRODUCTIVE ELEMENTS" OF THE POPULATION TO THE NEZ'S. PERSONS SLATED FOR NEZ'S WORK EVEN MORE ZEALOUSLY TO AVOID THIS FATE. A REFUGEE FROM RACH GIA SAID THAT MOST OF THE TOWN'S POPULATION HAD BEEN ORDERED TO THE NEZ'S, BUT 70 PERCENT OF THE PEOPLE

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HAVE THUS FAR MANAGED NOT TO GO. ANOTHER FORMER RESIDENT OF RACH GIA SAID THAT 60 PERCENT HAD GONE BUT 40 PERCENT

HAD RETURNED. BRIBERY OF "CORRUPT COMMUNIST CADRES" PLAYS A COMMON ROLE IN STAYING OUT OF OR ESCAPING THE NEZ'S, ACCORDING TO THE REFUGEE. OTHER REFUGEES FROM SAIGON ESTIMATED THAT ONLY 20 PERCENT OF THE HO CHI MINH CITY'S POPULATION ORDERED TO GO TO THE NEZ'S HAD ACTUALLY GONE AND REMAINED. THE STREAM BACK INTO THE CITY IS CONSTANT, DESPITE THE LACK OF MEANS OF LIVELIHOOD IN THE CITY. "THE PEOPLE SEEM TO HOPE AGAINST ALL ODDS THAT A WAY CAN BE FOUND TO RETAIN VESTIGES OF THEIR FORMER LIVES IN SAIGON," ONE REFUGEE COMMENTED. FORMER RESIDENTS OF HA TIEN WERE MOVED TO TEMPORARY HOMES SOME EIGHT KILOMETERS EAST TO AVOID KAMPUCHEAN ATTACKS. OF THEIR NUMBER, ABOUT 800 FAMILIES HAVE BEEN ORDERED TO THE NEZ'S. ALMOST ALL HAVE RETURNED TO THEIR TEMPORARY HOMES, A REFUGEE ASSERTED. "THE CADRES CAN'T DO ANYTHING ABOUT IT SINCE THE GOVERNMENT CAN'T FEED THE PEOPLE, AND THEY RETURN TO LOOK FOR SOMETHING TO EAT," THE REFUGEE ADDED.

5. THE TOTAL MOBILIZATION OF SOCIETY.

GSRV POLICY EMBODIED IN THE SPRING DECREES IS COMPREHENSIVE. NATIONALIZATION OF ALL MOTORIZED FISHING BOATS AND THE FISHERY INDUSTRY, THE NATIONALIZATION AND COLLECTIVIZATION OF ALL LAND, NATIONALIZATION OF INDUSTRY (WHICH HAS ALREADY OCCURRED) AND MOBILIZATION OF MALE YOUTH FOR MILITARY SERVICE ARE ALL IN THE PROCESS OF IMPLEMENTATION.

6. NATIONALIZATION OF LAND.

ACCORDING TO REFUGEES ARRIVING IN JULY, THE GOVERNMENT HAS ALREADY ANNOUNCED THAT ALL LAND WILL BE NATIONALIZED AND COLLECTIVES ESTABLISHED PRIOR TO THE END OF 1978. WHILE THIS DATE COULD EASILY SLIP OR IN FACT BE INACCURATE, CONFIDENTIAL

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MOVEMENT TOWARD COLLECTIVIZATION THIS YEAR WOULD ADVANCE
SOCIALIZATION IN AN EXTREMELY IMPORTANT SECTOR OF THE
VIETNAMESE ECONOMY AND ONE WHERE CONSIDERABLE RESISTANCE
HAS BEEN EXPECTED. THIS ASSUMPTION MAY BE INACCURATE,
IF, AS MANY REFUGEES CONTEND, THE STATUS OF RICH DELTA
FARMERS HAS ALREADY BEEN CHANGED. "UNDER FORMER
PRESIDENT THIEU," ONE REFUGEE SAID, "THE DELTA FARMERS
WERE VERY RICH BUT NOW THEY ARE ALL POOR. THE GOVERNMENT
HAS CONFISCATED ALL THEIR GOODS, MONEY AND THEIR MEANS
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TO FARM. WHILE THEY HAVE ENOUGH TO EAT, THEIR SITUATION
HAS GOTTEN STEADILY WORSE."

7. NUMEROUS REFUGEES DESCRIBED A SIMILAR PATTERN.
FARMERS CAN RETAIN RICE TO EAT, BUT THE REMAINDER OF
THEIR PRODUCE MUST BE SOLD OR "GIVEN" TO THE GOVERNMENT
(RECEIPTS GIVEN IN EXCHANGE CANNOT BE CASHED EXCEPT FOR
IMPROVING MEANS OF PRODUCTION AND OTHER SPECIAL PURPOSES).
LOW PRICES PAID BY THE GOVERNMENT HAVE BEEN A
DISINCENTIVE TO PRODUCE. AS A CONSEQUENCE, PRODUCTION
HAS BEEN REDUCED SIGNIFICANTLY. FARMERS RAISE ONLY
ENOUGH TO EAT. BECAUSE THE STATUS OF THE FARMERS HAS
ALREADY BEEN REDUCED SERIOUSLY, THE COLLECTIVIZATION MAY

NOT BE SO DRASTIC AS PEOPLE THOUGHT EARLIER, THE REFUGEES SAID. THE FARMERS WILL LOSE TITLE TO THEIR LAND BUT WILL STILL WORK ON THEIR LAND AND BE ABLE TO EAT THEIR PRODUCE. (THERE HAS BEEN SOME PARTICIPATION BY FARMERS IN BLACK MARKET CHANNELS, BUT IT IS RISKY. PENALTIES INCLUDE PRISON TERMS. INTERESTINGLY, SEVERAL REFUGEES CLAIMED THAT THE COMMUNIST CADRES ARE RESPONSIBLE FOR SUPPLYING THE BLACK MARKET. CADRES EXPROPRIATE RICE FROM GOVERNMENT COFFERS AND GIVE IT TO THEIR WIVES, WHO OPERATE THE BLACK MARKET WHICH STILL FUNCTIONS.)

8. OTHER FARMS WHICH ARE ALREADY FUNCTIONING MAY SERVE AS MODELS FOR THE COLLECTIVES. THESE FARMS (NONG TRUONG) ARE PRESENTLY WORKED BY FORMER SOLDIERS AND OFFICIALS WHO ARE STILL BEING "RE-EDUCATED." OTHER COLLECTIVES ARE APPARENTLY BEING FARMED BY YOUTHS AGED 18-30 WHO ARE CONSCRIPTED FOR THIS PURPOSE AS AN ALTERNATIVE TO MILITARY SERVICE. REFUGEES FROM BIEN HOA REPORTED THAT A NUMBER OF COLLECTIVES AND AGRO-FACTORIES ARE BEING BUILT THROUGH THIS MEANS.
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9. SOME REFUGEES REPORT THAT THE GOVERNMENT HAS ALSO ANNOUNCED THAT ALL MOTORIZED FISHING BOATS WILL BE NATIONALIZED AND FISHERY COLLECTIVES ESTABLISHED BY THE END OF 1978. ONE REFUGEE CLAIMED THAT ALL SUCH BOATS WERE NATIONALIZED BY A DECREE OF JUNE 30. HERETOFORE, VESSELS WITH MOTORS FORTY FIVE HP OR LESS WERE STILL IN PRIVATE HANDS. NON-MOTORIZED BOATS ARE NOT EXPECTED TO BE NATIONALIZED AT THIS TIME.

10. FACTORIES HAVE ALREADY BEEN NATIONALIZED. SEVERAL REFUGEES SAID THAT MANY FACTORIES ARE NOT OPERATING DUE TO A LACK OF RAW MATERIALS. REFUGEES FROM KIEN GIANG PROVINCE ESTIMATED THAT ONLY ONE-THIRD OF THE RURAL FACTORIES (ICE PLANTS, RICE MILLS, ETC.) ARE OPERATING. THE HA TIEN CEMENT PLANT REPORTEDLY CLOSED JUNE 10, POSSIBLY FOR SECURITY REASONS. OTHERS ESTIMATED THAT PERHAPS 60 PERCENT OF THE FACTORIES ARE OPERATING. REFUGEES FROM PHU QUOC SAID THAT ALL THE FISH SAUCE (NUOC MAM) FACTORIES HAVE CLOSED BECAUSE GOVERNMENT PRICES ARE TOO LOW TO SUSTAIN THE OPERATIONS FOR PUBLIC SALE. FORMER SAIGONESE ESTIMATE THAT PERHAPS 30 PERCENT OF THE FACTORIES IN SAIGON-CHOLON-GIA DINH-THU DUC ARE NOW FUNCTIONING. LEADERSHIP IN FACTORIES IS APPARENTLY EXERCISED BY COMMITTEES COMPOSED OF THE FACTORY DIRECTOR AND A DEPUTY (USUALLY NORTH VIETNAMESE COMMUNISTS), REPRESENTATIVES OF THE COMMUNIST PARTY OF VIETNAM, YOUTH AND LABOR. MOST DECISIONS ARE MADE BY THE DIRECTOR AND

THE DEPUTY. WORKERS ARE DIVIDED INTO THOSE WHO ARE
"FORMALLY" WORKERS, APPARENTLY PARTY MEMBERS, AND THOSE
WHO ARE NOT. FORMER SOLDIERS OR THOSE OTHERWISE CLOSE
TO THE FORMER GVN CANNOT BECOME PARTY MEMBERS OR "FORMAL"
WORKERS IN THE FACTORIES. THEIR PAY IS ALSO LESS.

11. SKILLED WORKERS.

CARPENTERS, PAINTERS, MECHANICS, MASONS, AND OTHER
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SEMI-PROFESSIONAL OR SKILLED WORKERS HAVE ALSO BEEN

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ORGANIZED INTO COLLECTIVES. BEFORE THE NEW ECONOMIC DECREES WERE PROMULGATED THIS SPRING, SKILLED WORKERS COULD CONTINUE THEIR TRADES OUTSIDE THE COLLECTIVES. THE MARCH AND SUBSEQUENT DECREES HAVE LED TO A CRACKDOWN ON THE FREE EXERCISE OF A TRADE, AND THE PERSONS INVOLVED HAVE BEEN ORDERED TO THE NEZ'S. AS A RESULT, RECENT REFUGEES INCLUDE NUMEROUS SKILLED AND SEMI-SKILLED WORKERS, MANY OF WHOM WERE FORMERLY GVN SOLDIERS, WHOSE ONLY LEGAL LIVELIHOOD SINCE MARCH IS IN THE DREADED
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NEZ'S OR COLLECTIVE FARMS.

12. SALARIES AND COSTS OF LIVING.

LOWER LEVEL CADRES REPORTEDLY RECEIVED 60 NEW DONG A MONTH. (THE NORTH SRV DONG-DOLLAR EXCHANGE RATE WAS 2.64 DONG TO ONE DOLLAR.) TEACHER'S SALARIES VARY FROM 36 TO 52 DONG A MONTH. A NON-UNION FACTORY WORKER EARNED 50 DONG MONTHLY. CARPENTERS IN A COLLECTIVE RECEIVE 30 DONG A MONTH. A BOAT CAPTAIN, WHO MOONLIGHTED BY WORKING IN A FISH SAUCE FACTORY, SAID THAT HE EARNED 200 DONG A MONTH. FISHERMEN ARE APPARENTLY PAID 150 DONG A MONTH. AS FOR THE COST OF LIVING, PRICES ARE CONSIDERED VERY HIGH. RICE COSTS .25-.50 DONG A KILO IN SAIGON AT A GOVERNMENT STORE OR 3 TO 4 DONG IN THE BLACK MARKET. GASOLINE IS .50 DONG A LITER; FABRIC, 14 DONG A METER; SUGAR, 8 DONG A KILO; A SHOT OF A PENICILLIN-TYPE DRUG, 80 DONG, OR MORE THAN THE AVERAGE MONTHLY SALARY FOR MOST. PHARMACIES ARE CLOSED. TO BUY MEDICINE, YOU MUST APPLY THROUGH THE BUREACRACY TO GO TO A HOSPITAL TO PURCHASE MEDICINES OR RECEIVE TREATMENT. REFUGEES ALL SPEAK OF THE SEVERE ECONOMIC SITUATION AND DEPRIVATION AS AN ELEMENT OF THEIR DECISION TO FLEE.

13. MILITARY MOBILIZATION.

SINCE LAST OCTOBER IN CONNECTION WITH THE CONFLICT WITH KAMPUCHEA, MILITARY MOBILIZATION HAS ALSO BEEN STEPPED UP. MOBILIZATION SEEMS TO HAVE ACCELERATED EVEN FURTHER IN MAY. ALL MALE YOUTHS BETWEEN 18 AND 25 ARE SUBJECT TO DRAFT INTO THE REGULAR PAVN FORCES. THE ONLY OTHER MILITARY FORCES ARE THE VILLAGE GUERRILLA UNITS (DU KICH XA), USUALLY THE PARENTS OF YOUTHS WHO SERVED
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THE VIET CONG. EACH VILLAGE HAS 8 TO 12 SUCH GUERRILLAS. THEY WEAR REGULAR CLOTHES. THERE ARE NO FORCES EQUIVALENT TO THE REGIONAL FORCES OF THE GVN, ACCORDING TO THE REFUGEES.

14. MILITARY SERVICE IS DETESTED. NO SOUTHERNER WANTS TO SERVE. THE GOVERNMENT CANNOT PROVIDE SECURITY IN THE COUNTRYSIDE, AND IT IS EASY TO HIDE. AS A RESULT OF THESE FACTORS, THE AWOL RATES ARE VERY HIGH, ACCORDING TO THE REFUGEES. MANY YOUTHS ESCAPE, ARE REARRESTED FOR MILITARY SERVICE, ESCAPE, ETC., IN A CONTINUING CYCLE.

15. RELIGION.

REFUGEES CLAIM THAT MOST IF NOT ALL CHURCHES, PAGODAS AND TEMPLES OF ALL RELIGIONS HAVE BEEN CLOSED. RELIGIOUS PROPERTY, GOODS, AND OTHER WEALTH WERE CONFISCATED BY THE GOVERNMENT. REFUGEES CLAIM THAT ALL PRIESTS, CATHOLIC, BUDDHIST AND PROTESTANT, HAVE BEEN IMPRISONED. REFUGEES, PRINCIPALLY FORMER GVN SOLDIERS, NOTED WITH SOME GLEE THAT FORMER "THIRD FORCE" LEADERS, INCLUDING THOSE OF THE AN QUANG PAGODA AND THE "COCONUT MONK," WHO OPPOSED THE THIEU REGIME AND THE U.S. ROLE IN VIETNAM, WERE QUICKLY IMPRISONED BY THE COMMUNISTS. REFUGEES RECOUNTED WITH SOME MIRTH THAT FREQUENTLY INTERNATIONAL DELEGATIONS VISITING HO CHI MINH CITY ARE TAKEN TO CHURCHES AND PAGODAS. COMMUNIST CADRES POSE AS CONGREGATION, PRIESTS AND ACOLYTES, DONNING ROBES, ETC., FOR A FAKE SERVICE.

16. HUMAN, CIVIL AND POLITICAL RIGHTS.

"THERE IS NO SYSTEM OF LAW OR JUSTICE IN VIETNAM," ONE TYPICAL REFUGEE SAID. PEOPLE ARE ALLOWED TO MOVE AROUND ONLY WITH PERMISSION. LARGE SEGMENTS OF THE POPULATION HAVE BEEN FORCED TO ABANDON THEIR BUSINESS OR PROFESSION
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AND ARE ARBITRARILY TURNED INTO FARMERS IN THE NEZ'S.
GOODS AND WEALTH ARE ARBITRARILY SEIZED UNDER COMMUNIST
RULE. WHEN CADRES ARE DISSATISFIED, ONE REFUGEE SAID,
"THEY SIMPLY PICK YOU UP, POINT A GUN AT YOUR HEAD,
AND ASK IF YOU AGREE. WHEN THEY WANT YOUR CLOTHES, THEY
SIMPLY SAY, 'DO YOU AGREE.' COMMON FOLKS HAVE NO
HUMAN POLITICAL RIGHTS. ONLY THE COMMUNIST PARTY HAS
RIGHTS."

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17. DISSIDENTS: RESISTANCE, REFUGEES, CHINESE AND
COMMON FOLKS.

REFUGEE ESTIMATES ON THE PERCENTAGE OF SOUTHERNERS
OPPOSED TO THE COMMUNIST REGIME VARY BETWEEN NINETY AND
A HUNDRED PERCENT. REFUGEES CLAIM THAT MANY COMMUNIST
CADRES WISH TO FLEE. MOST OF THE RESISTANCE HAS BEEN
PASSIVE, BUT THE DISAFFECTION EVIDENT IN THESE RECENT
INTERVIEWS INDICATES THAT THE INNER ANGER IN SOUTH
VIETNAM OVER THE COMMUNIST TAKEOVER AND POLICIES IS

DEEPENING AND SEARCHING FOR A MEANS OF EXPRESSION. "THE PEOPLE WANT TO REVOLT BUT CANNOT DO SO EFFECTIVELY BECAUSE THEY HAVE NO LEADERSHIP," A FORMER USAID EMPLOYEE SAID. NEVERTHELESS, SHE CLAIMED THAT THERE ARE RESISTANCE ACTIVITIES IN THE JUNGLES. BUT WHEN THEY EMERGE FROM THE JUNGLE, GOVERNMENT FORCES ARE ABLE TO ARREST THEM, SHE SAID. ANOTHER REFUGEE SAID THAT THE GOVERNMENT IS CONCERNED ABOUT RESISTANCE. HE SAW THE REASONS FOR THE TIGHTENING OF CONTROLS AND FORCED REMOVAL TO THE NEZ'S AS A FEAR IN THE GOVERNMENT THAT FORMER SOLDIERS AND OFFICIALS WILL CONTACT EACH OTHER, AND PERHAPS ESTABLISH LINKS WITH KAMPUCHEAN ELEMENTS AND THE CHINESE NETWORK FROM VIETNAM TO THE PRC, TO OPPOSE THE GOVERNMENT. ANOTHER REFUGEE SAID THAT EVERYONE WANTS TO FIGHT THE GOVERNMENT AND HOPES FOR EXTERNAL SUPPORT AND WEAPONS. "BEFORE, THE PEOPLE IN THE RURAL AREAS GAVE FRUIT AND RICE TO THE VIET CONG," A REFUGEE SAID, "BUT NOW THEIR EYES ARE OPENED TO WHAT COMMUNISM MEANS AND THEY WANT TO RISE UP AND FIGHT THE COMMUNISTS." BESIDES, HE SAID, BECAUSE OF THE CONFLICT WITH KAMPUCHEA, EVERYONE KNOWS THAT COMMUNISTS CAN'T FIGHT AS WELL AS THEY USED TO. DESPITE SUCH ASSERTIONS, REFUGEES REPORTED ONLY SCATTERED, ACTIVE RESISTANCE IN SUCH PLACES
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AS CHAU DOC, TAY NINH, LONG KHANH (NOW DONG HAI), LAM DONG, PHU QUOC, AND IN THE HIGHLANDS. ONE REFUGEE REPORTED THAT A DIVISION (SIC) OF FORMER GVN SOLDIERS FORMS THE RESISTANCE IN CHAU DOC PROVINCE.

18. REFUGEES.

"EVERYONE WOULD LEAVE IF THE BOATS WERE AVAILABLE," ONE REFUGEE SAID. MANY SPOKE OF TIGHTENING GOVERNMENT CONTROLS AS AN INCREASINGLY SERIOUS IMPEDIMENT TO ESCAPE. ANOTHER OUTLINED FOUR BASIC REASONS THAT THE REFUGEE FLOW HAS ABATED SOMEWHAT IN THE PAST TWO MONTHS: (A) VERY ROUGH SEAS; (B) FIGHTING IN HA TIEN WHICH HAS RESULTED IN MUCH TIGHTER GOVERNMENT CONTROL AND RESTRICTIONS ON MOVEMENT IN AN AREA FROM WHICH MANY REFUGEES FLEE; (C) THE ECONOMIC SITUATION, ESPECIALLY IN HO CHI MINH CITY, IS SO PERILOUS THAT PEOPLE ARE PREOCCUPIED WITH FINDING ENOUGH FOOD TO KEEP FROM STARVING; AND (D) THE INCREASE OF POLITICAL ACTIVITIES AND RESISTANCE TALK BECAUSE OF THE UNSTABLE SITUATION IN SOUTH VIETNAM, STEMMING PARTICULARLY FROM THE NEW ECONOMIC POLICIES. (NOTE: THIS PRESUMABLY HAS EXCITED PEOPLE FALSELY ABOUT THE POSSIBILITY FOR SUCCESSFUL RESISTANCE.) OTHERS SPOKE OF THE NATIONALIZATION OF SMALLER BOATS, AND THEIR UNAVAILABILITY GENERALLY, STRICT RATIONING OF GASOLINE, CLOSER GUARDING OF THE BORDER AREAS

BY CADRES AND MILITARY, MUCH TIGHTER SURVEILLANCE IN THE NEZ'S, AND THE SEIZURE OF WEALTH AS OTHER DIFFICULT BARRIERS TO SURMOUNT IN ORDER TO ESCAPE. NEVERTHELESS, AFTER LISTING THE NEW DIFFICULTIES, MOST REFUGEES SPOKE OF AN ALMOST INDOMITABLE WILL TO ESCAPE THE "NEW SOCIETY" IN SOUTH VIETNAM WHICH THEY THOUGHT WOULD PRODUCE A CONTINUING FLOW OF REFUGEES. "DESPITE THE DIFFICULTIES," ONE REFUGEE COMMENTED, "PEOPLE WILL FIND MEANS TO ESCAPE. THEY WILL BRIBE CADRES, STEAL BOATS, KILL COMMUNIST GUARDS, DO ANYTHING TO GET OUT." ANOTHER MENTIONED THAT MANY PEOPLE PRUDENTLY HAD BURIED THE CONFIDENTIAL

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MEANS (GOLD) TO ESCAPE, ANTICIPATING THE NEW ECONOMIC

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OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 DODE-00 PM-05
H-01 L-03 NSC-05 PA-01 SS-15 IO-13 HA-05 OES-09
STR-07 AGRE-00 CEA-01 AGR-01 (ISO) W
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R 071335Z AUG 78
FM AMEMBASSY BANGKOK
TO SECSTATE WASHDC 8946
INFO AMCONSUL HONG KONG
AMEMBASSY KUALA LUMPUR
AMEMBASSY JAKARTA
AMEMBASSY MANILA
AMEMBASSY MOSCOW
AMEMBASSY PARIS
USLO PEKING
AMEMBASSY RANGOON
AMEMBASSY SINGAPORE
AMEMBASSY TOKYO
AMEMBASSY VIENTIANE
CINCPAC HONOLULU HI

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CINCPAC ALSO FOR POLAD

STRICTURES WHICH WERE APPLIED IN MARCH.

18. THE ETHNIC CHINESE.

VIETNAMESE REFUGEES, LIKE THEIR ETHNIC CHINESE BRETHREN (BANGKOK 16602), SEE THE SPRING ECONOMIC DECREES AS A CRACKDOWN ON CLASSES, NOT RACES, EVEN THOUGH CHINESE BEAR THE BRUNT OF THE NEW POLICIES. THEY ALSO CONTINUE TO DOUBT THAT HANOI DESIRED THE EXODUS OF ETHNIC CHINESE
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TO THE PRC. AS ONE REFUGEE SAID, "THE CHINESE DO NOT LIKE THE RECENT ECONOMIC AND OTHER DEVELOPMENTS IN VIETNAM AND WOULD PREFER COMMUNIST CHINA TO THE SEVERE LIFE IN VIETNAM, PARTICULARLY IN THE NEZ'S." MOST CHINESE FEEL THAT THEY CANNOT LIVE OR MAKE A LIVING IN A COMMUNIST VIETNAM, A REFUGEE SAID. "COMMUNIST CADRES CAME FROM THE NORTH AFTER "LIBERATION," AND IT IS OBVIOUS THAT AFTER THIRTY YEARS OF COMMUNISM THEY HAVE NOTHING. THE CADRES ARE ASTOUNDED BY THE CLOTHES, HOUSING, AND LIFE STYLE IN THE CAPITALISTIC SOUTH. CHINESE AND SOUTH VIETNAMESE BELIEVE THAT ALL OF THIS WILL BE LOST IN A COMMUNIZED SOUTH VIETNAM," THE REFUGEE EXPLAINED. AS FOR ESCAPE TO THE PRC, REFUGEES NOTED THAT YOU COULD BRIBE THE CADRES IN ORDER TO GO NORTH BUT COULD NOT DO SO TO ESCAPE TO A FREE COUNTRY. YOU CAN, HOWEVER, BRIBE CADRES TO GET OUT OF JAIL OR THE NEZ'S, OR TO GO TO THE MARKET, ALL OF WHICH MAY LEAD TO ESCAPE.

19. TO ILLUSTRATE THEIR POINT CONCERNING HANOI'S ATTITUDE TOWARD THE EXODUS TO THE PRC, REFUGEES REFERRED TO THE SRV HANDLING OF CHINESE WHO WISHED TO BOARD THE PRC SHIPS FOR CHINA. SEVERAL REFUGEES REPORTED THAT ETHNIC CHINESE WERE TOLD BY SRV AUTHORITIES TO SIGN UP TO GO TO THE PRC. ONCE THEY REGISTERED, THE CHINESE WERE HAULED OFF, MANY IN THE MIDDLE OF THE NIGHT, TO "RE-EDUCATION COURSES" AND THEN THE NEZ'S. PEKING ALSO PLAYED, WITTINGLY OR UNWITTINGLY, A ROLE IN THIS BIT OF PERFIDY, BY SENDING THE SHIPS AND THUS LURING THE CHINESE INTO EXPRESSING A DESIRE TO GO TO CHINA.

20. COMMENT: THESE INTERVIEWS REVEALED A COMPREHENSIVE PATTERN OF ACCELERATED EFFORTS BY THE GSRV TO EXERT CONTROL IN SOUTHERN VIETNAM. AFTER THREE YEARS OF MOVING
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RATHER CAUTIOUSLY, THE SRV IS NOW ATTEMPTING A RADICAL TRANSFORMATION OF THE VIETNAMESE SOCIETY AND ECONOMY IN THE SOUTH. THE MARCH AND SUBSEQUENT ECONOMIC DECREES EMBODY THIS EFFORT. AT THE SAME TIME, THESE MEASURES HAVE ESCALATED WHAT WAS ALREADY WIDESPREAD, BUT PASSIVE OPPOSITION TO THE NEW REGIME. AS HANOI TRIES TO COERCE THE SOUTHERN POPULATION INTO A REGIMENTED, "SOCIALIST" MODEL, WE ANTICIPATE HEIGHTENED TENSION. THE IMPULSION FOR SOUTH VIETNAMESE AND ETHNIC CHINESE TO FLEE WILL INCREASE. NUMBERS OF REFUGEES, HOWEVER, WILL DEPEND ON HANOI'S CAPABILITY TO FORCE THE POPULATION INTO THE NEW MODE QUICKLY WHILE EXERCISING TIGHT CONTROL. WE DOUBT THAT HANOI'S CADRES IN THE SOUTH WILL MANAGE THE TASK SMOOTHLY AND ANTICIPATE CONTINUATION OF A CERTAIN AMOUNT OF CHAOS IN THE SOUTH FOR SOME TIME TO COME. DURING THIS PERIOD, THE REFUGEE FLOW WILL PROBABLY CONTINUE AT A HIGH LEVEL.

21. THE "SOCIALIST TRANSFORMATION" OF THE SOUTH HAS ALREADY SERIOUSLY DAMAGED THE SOUTHERN ECONOMY AND WILL CONTINUE TO DO SO UNTIL AN ALTERNATIVE AND EFFECTIVE ECONOMIC STRUCTURE CAN BE SET IN PLACE. HANOI HAS THUS DELIBERATELY UNDERTAKEN POLICIES WHICH WILL HAVE A HIGHLY ADVERSE IMPACT ON ITS RECONSTRUCTION GOALS, EXACERBATING THE MYRIAD ECONOMIC DIFFICULTIES IN WHICH THE SRV FINDS ITSELF. HANOI'S SOLUTION IS, OF COURSE, IDEOLOGICALLY CORRECT, BUT THE COST IS HIGH, BOTH TO PERSONS AND TO THE NEAR TERM ECONOMIC PROSPECTS IN SOUTH VIETNAM. ABRAMOWITZ

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